

Department of Planning and Budget

2019 Fiscal Impact Statement

1. Bill Number: HB1981 ER

House of Origin	<input type="checkbox"/> Introduced	<input type="checkbox"/> Substitute	<input type="checkbox"/> Engrossed
Second House	<input type="checkbox"/> In Committee	<input type="checkbox"/> Substitute	<input checked="" type="checkbox"/> Enrolled

2. Patron: Fowler

3. Committee: Passed Both Houses

4. Title: Virginia Correctional Enterprises; procedure for exemptions to the mandatory purchase provisions.

5. Summary: Currently, a department, institution, or agency of the Commonwealth may be granted an exemption from having to purchase goods and services from Virginia Correctional Enterprises (VCE) with the consent of both the Director of the Division of Purchases and Supply and the Chief Executive Officer of VCE in any case where (i) the article so produced or manufactured does not meet the reasonable requirements of the department, institution, or agency, (ii) an identical article can be obtained at a verified lesser cost from the private sector, which is evidenced by a verified request for pricing, or (iii) the requisition made cannot be complied with on account of an insufficient supply of the articles or supplies required, or otherwise. In any case where an exemption is provided, the Director of Purchases and Supply and the Chief Executive Officer of VCE must submit a written justification for the exemption to the Director of the Department of Corrections and the Director of the Department of General Services.

Under the proposed legislation, in any case where an exemption from the mandatory purchase provisions is not granted, the Chief Executive Officer of VCE would be required to provide a written justification for the denial to the department, institution, or agency that requested the exemption.

6. Budget Amendment Necessary: No

7. Fiscal Impact Estimates: Final. See Item 8 below.

8. Fiscal Implications: According to the Department of Corrections and the Department of General Services, this bill is not expected to have a fiscal impact on either agency's operations.

9. Specific Agency or Political Subdivisions Affected: Department of Corrections,
Department of General Services

10. Technical Amendment Necessary: None

11. Other Comments: None